



SHEET METAL WORKERS'
International Association • Local Union No. 73
4530 Roosevelt Road | Hillside, Illinois 60162 | 708-449-7373 | Fax 708-449-7333



Welfare and Pension Funds

March 30th, 2020

Re: CARES Act Annuity Fund Provision

To: Annuity Fund Participants

On Friday, March 27, 2020, the House passed, and President Trump signed the COVID-19 economic stimulus package known as the CARES Act, which had previously been passed by the Senate. Among its provisions, the CARES Act allows eligible participants to request penalty-free distributions from their Annuity Fund account of 50% of your account up to \$100,000 for qualifying coronavirus-related reasons. These include adverse financial consequences due to being quarantined, furloughed, laid off or having work hours reduced; being unable to work due to a lack of childcare; or closing or reducing hours of a business owned or operated by the individual.

CARES Act Distributions are more favorable than hardship withdrawals because:

- Tax on the income from the withdrawal may be paid over a three-year period;
- Participants may repay the amount withdrawn to an eligible retirement plan within three years;
- Repayments will not be subject to the retirement plan contribution limits; and
- All contribution sources (other than money purchase pension plan sources) will be available.

The Trustees approved the implementation of this option on Saturday, March 28, 2020. Fidelity will begin to implement CARES Act Distributions and make them available to participants as soon as administratively feasible. Please consider the benefits of both this option as well as the new, second loan option, if you wish to access your Annuity Fund account due to financial hardship as a result of COVID-19.

Please call the fund office at 708-449-7373 and select option #4 to speak to Karen Meifert if you have any questions.

Thank You
Local 73 Fund Office